

**NEITI
COUNTRY
WORK PLAN**

2019

**NIGERIA EXTRACTIVE INDUSTRIES
TRANSPARENCY INITIATIVE (NEITI)**

Narratives

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Introduction

In line with Requirement 1.5 of the EITI Standard, the 2019 NEITI Work Plan is developed to consolidate on the achievement of the NEITI in meeting up to the core priority objective of the Federal Government of Nigeria and improve on the 2018 EITI validation.

The implementation of the 2019 work plan is tailored towards bridging the EITI reporting dateline by completing the 2017 industry audit of the extractive sector and exploring innovative ways of automating the audit process in Nigeria.

NEITI will continue to strive and achieve the below Strategic Goals set for 2017-2021.

These are:

- (1) **Strategic Goal 1:** Deepen openness in the extractive sector through timely audits and other impactful studies.
- (2) **Strategic Goal 2:** Shape extractive sector and overall governance reforms through policy engagements, thought leadership and inter-agency coordination.
- (3) **Strategic Goal 3** – To strengthen accountability in the use of extractive revenues through strategic communication with critical stakeholders and empowerment of accountability actors.
- (4) **Strategic Goal 4** - To develop operational capacity, legitimacy and support through effective administration and human resource management and adequate funding.

Core National Priority Objectives:

The 2019 Work plan is focused to achieve the below National core priority objective:

- Corporate governance and Anti-corruption
- Economic Diversification
- Sustainable Economic Development.

2019 Work Plan Objectives

- Achieve Regular Audits Reporting of the E.I Sector, Automate NEITI Data Gathering Process and Implementation of Remediation issues from the Audit.
- Effective dissemination of NEITI Industry reports and policy papers to multi-stakeholders to promote demand for accountability.
- To broaden and deepen engagements and advocacy with stakeholders at all levels.
- Monitor and Evaluate Governance and Anti-Corruption Initiatives at all levels of governance and provide data based coordination.
- Conduct impact analysis and construct country specific indicators and tools for governance, anti-corruption Monitoring and facilitate the building of synergy among diverse anti-corruption initiatives.
- Conduct research and empirical studies aimed at improving the management of mineral resources in line with evolving Global Trend in Extractive Industry.
- Publish Policy Briefs, Quarterly Reviews and Occasional Papers.
- Ensure highest standard in operating procedures legal, Auditing and procurement process.
- To provide Operational, Financial, Administrative and logistic support to the secretariat.

Implementation Plan

The 2019 NEITI work is carefully designed to ensure successful implementation considering the political and economic circumstances in the country.

The core priority areas of implementation are:

Achieve Regular Audits Reporting of the E.I Sector, Automate NEITI Data Gathering Process and Implementation of Remediation issues from the Audit.

To achieve these objectives NEITI will continue to sustain the regular reporting and cover the arrears of the Industry Audits Oil & Gas and Solid Minerals 2017 as a key requirement of the NEITI Act and the EITI. NEITI will also complete on the FASD Audit 2012-2015.

In line with the organization strategic Goal 1 the below Key activities to will be implemented.

- Scoping study for 2017 Oil and Gas Audit and Template review for Oil and Gas report
- Scoping study for 2017 Solid Mineral Audit and Template review for Solid Mineral report
- Scoping study for 2017 FASD report and Template review for FASD report
- Develop and deploy a framework for continuous data gathering and automation of data collection
- Develop a framework for enforcing provisions of NEITI Act on statutory and timely disclosure by covered entities
- Framework implementation for remediation with active participation of TUGAR in collaboration with anti-corruption agencies.

Effective dissemination of NEITI Industry reports and policy papers to multi-stakeholders to promote demand for accountability.

The 2019 dissemination plan will target the post-election audience and stakeholders in order to drive a policy direction to the new administration in the extractive industries. It will require deepening and broadening the stakeholder's base, advocacy, Provision of information, education, and enlightenment to create awareness required by the public to use the report as a tool to demand, good governance of the resources and accountability of the EI sector of the economy.

In achieving strategic goal 3 the Implementation Plan will include the following activities.

- Simplification of NEITI Industry Audit reports -Oil, gas, solid minerals and FASD with infographics for ease of understanding.
- Public presentation of the NEITI Industry Audit reports and in the geo-political zones
- Sensitization workshop on natural resource governance to the Legislature and Workshop for state excos and states assemblies on natural resource governance and domestication of the EITI in 6 geo-political zones
- Town hall meetings with LGA excos, opinion or Community leaders, NGOs, CSOs, FBOs in the 6 geo-political zones.
- Capacity building for Civil Society Organizations, the Media and Professional bodies.
- Review stakeholders mapping with a view to determining which stakeholders are better suited for different objectives of NEITI.
- Review, develop and implement a robust stakeholder Communication and mobilization strategy.

Conduct impact analysis and construct country specific indicators and tools for governance, anti-corruption Monitoring and facilitate the building of synergy among diverse anti-corruption initiatives.

The Technical Unit on Governance and Anti-corruption reform (TUGAR) will continue with the coordination of the Inter Agency task Team (IATT) and conducting impact analysis of the Anti-corruption reform Initiatives through continuous monitoring and evaluation of the sector specific indicators and ensure synergy among the anti-corruption agencies.

The objective is to enhance the effectiveness of these resources and reduce the vulnerability of Nigerian public institutions, private sector and society at large to corruption.

The Major activities for the implementation of this objective are listed below and are targeted to achieve Strategic Goal 2 of the NEITI.

- Implementation of findings of Scoping Survey / Gap Analysis of the Ethics Framework in Nigeria
- Implementation of the Budget Efficiency Project
- Development of a platform for updating anti-corruption database
- Research Studies of Anti-Corruption and Governance Survey
- Implementation / Monitoring and Evaluation of the National Anti-Corruption Strategy
- Corruption Risk Assessment (CRA) in the Nigerian Ports - Implementation of Integrity Plan
- Implementation of the Integrity Plan in the MDG Related MDAs
- Review of Nigeria's Implementation of the UNCAC (2nd Cycle) and implementation of the Remediation Plan for the 1st & 2nd review Cycle.

Conduct research and empirical studies aimed at improving the management of mineral resources in line with evolving Global Trend in Extractive Industry.

In exploring innovative approaches to the implementation of the EITI in Nigeria, The Newly created Planning, policy and strategy Department PPs in the NEITI will strive in conducting research and empirical studies aimed at improving the management of mineral resources in line with evolving Global Trend in Extractive Industry.

To influence the policy space in 2019, Policy Briefs, Quarterly Reviews and Occasional Papers will be published by NEITI on the Extractive Sector and will be followed by a sustainable Advocacy campaign and media engagement to achieve the desired impact.

The activities are aimed at providing scientific direction and conduct policy research on the extractive and other related issues that should spur national and international debates and demand for actions within and outside the government.

Below are ambitious research proposal for implementation in 2019

- Research on the Impact of Decline in the Prices of Crude Oil on the Oil and Gas Sector
- The Effect of the decline in the price of Crude Oil on investment in the upstream sector of the Oil & Gas industry in Nigeria.
- Economic and Environmental Impact of Small Scale Mining Activities in Some Selected States
- Review of Existing Reforms in the Oil & Gas Sector
- Developing a frame work for enforcing provisions of NEITI Act on statutory agencies of government relating to timely disclosure by the entities
- Research on the social and economic impact of mining on women, youths and other vulnerable groups in Nigeria
- Application of 13% derivation in selected Niger Delta communities)
- Research of Existing Reforms in Nigeria's Extractive Industry (against the backdrop of pre- & post-election)
- Stakeholders Engagement on Beneficial Ownership Disclosure
- Beneficial Ownership implementation
- Policy Research on Contract transparency
- Research: (4 FAAC quarterly reviews, 1 occasional paper, 2 policy briefs & 1 occasional paper)
- Policy dialogues (NEITI Validation, Mining/13% derivation, Reforms in the extractive sector, PIB[4-in1], and Contract Transparency
- FAAC Data mining & Fiscal Modelling for Data Dashboard.

Ensure highest standard in operating procedures legal, Auditing and procurement process.

NEITI has not been able to effectively implement the enforcement and regulation function under the NEITI Act. During the 2019 financial year, NEITI will initiate actions aimed at overcoming this challenge and strengthening the enforcement of recommendations from the Audit reports. These will include:

- Initiate process for amendment of the NEITI Act to include enforcement and sanctions by the National Assembly.
- Secure a FIAT from the Attorney General of the Federation in order to prosecute any violation of the Act.

- Complete the process of signing the MOU with other anti-corruption agencies I.e. EFCC, ICPC and the Nigerian Police as a short term plan to ensure effective Regulation and Enforcement before the eventual passage of the NEITI amendment Act.
- Continuous engagement with professionals and covered entities for a better understanding of EITI principles and cooperation.
- Development Of Risk Profile
- Implement best practice in the procurement processes.

To provide Financial, Operational, Administrative and logistic support to the secretariat.

In 2019, the implementation of NEITI mandate will require Financial, Operational, Administrative and Logistic support from all stakeholders. The work plan is deliberately designed to develop the human capacity within the organisation and key stakeholders to understand the EITI process in Nigeria.

The Secretariat capacity building activities will include:

- Build capacity of board, management, staff and stakeholders
- Review and align Human Resource and Organizational development policies and plans
- Promote organizational learning
- Deploy critical ICT infrastructure.
- Institutionalize monitoring and evaluation.
- Mobilize logistic support for effective discharge of responsibilities.

The Financial support will be from the Federal Government of Nigeria and International Donor Agencies. In addition NEITI will in 2019 expand and diversify funding base to meet its financial obligation.

The Major Activities will be:

- Implementation of the Government Integrated Financial Information Management System (GIFMIS) -Release 2 – the GIFMIS platform is a coordinated accounting and management software use for the application of all e-government transaction in Nigeria.
It warehouses the Treasury Single Account TSA and the Integrated Personal Payroll Information System IPPIS.

Implementing Integrated personnel payroll Information System(IPPIS) -UPGRADE

- *Systems Review and implementation – IPSA/Internal Controls.* NEITI financial and internal control systems will be updated in line with International Public Sector Accounting Standards. Where possible the use of SAP accounting software will be required.
- Create understanding of internal control systems and enforce compliance to such systems i.e Financial Management, Procurement, Internal Audit, Human Resources Management and monitoring and evaluation.

Methodology and Funding

Through a Multi stakeholder's consultative process our 2019 priorities have been developed and in line with the national priority objective of the FGN and the EITI standard 2016. The implementation of the plan will be monitored and evaluated. The attached financial work plan template provides details of funding, targets, cost, output and key indicators.(See Work Plan Financials)

2019 Work plan costing Summary

Summary of core priorities and funding of the work plan include:

Core Priority	Total	FGN	Donor	Gap
Regular Audit Reporting, Automation & Remediation	548,200,000.00	TBD	TBD	
Dissemination, Outreach, Public Education and enlightenment	190,600,000.00	TBD	TBD	
Conduct impact analysis and Monitor and evaluate governance and anti-corruption initiatives.	141,500,000.00			
Conduct research and empirical studies aimed at improving the management of mineral resources.	112,122,000.00	TBD	TBD	
Ensure highest standard in operating procedures legal, Auditing and procurement process.	80,800,000.00	TBD	TBD	
To provide Financial, Operational, Administrative and logistic support to the secretariat.	406,657,104.00	TBD	TBD	
Financial Support Services	47,500,000.00	TBD	TBD	
Grand Total	1,527,379,104.00			